

# MANUFACTURING EXTENSION PARTNERSHIP

## Success Stories from the Field

### Airline Manufacturing Company

#### Mississippi Technology Alliance

#### Marketing Plan Development

##### Client Profile:

Airline Manufacturing Company, located in Columbus, Mississippi, is a supplier of wood component parts to the furniture manufacturing industry. Founded in 1956, the family-owned business owns its own truck fleet and delivers components to customers in North Carolina, Tennessee and Mississippi. In 2000 Airline Manufacturing employed 316 people but was fighting competition from overseas and elsewhere and needed to modernize their facility to remain competitive. Through implementation of lean manufacturing practices and the purchase of state-of-the-art wood processing equipment, work-in-process, finished goods, and raw material were reduced significantly and the company has stabilized its workforce at 160 employees.

##### Situation:

Prior to this project, Mississippi State University's Industrial Outreach Service (MSU IOS) and Forest Products Department assisted Airline Manufacturing in lean implementation projects, the selection and placement of the new equipment, and the development of a company web site and inventory tracking system. Even with these significant improvements the company was struggling to be profitable against increased raw material costs, pressure from customers to reduce prices, and low cost Asian imports. Before 2003, Airline Manufacturing had not employed marketing techniques other than cold calls made by the company sales director. MSU's IOS provided assistance in developing a job description and interviews for a new marketing director. However, Airline Manufacturing was unable to find a suitable candidate. Company president, Judy Dunaway, brought in MSU's IOS to assist with the development of a marketing campaign.

##### Solution:

It was decided the most cost effective approach would be to (1) develop a brochure, DVD, and two flyers to be mailed to CEOs of the top 200 furniture manufacturers in the US, and (2) find opportunities to promote the company in trade or other industry publications. The two flyers would focus on why the target audience should buy from US manufacturers. The DVD would contain a plant tour and a photo tour of typical products. The brochure would provide a short description of the company and the benefits of doing business with Airline. Each of the packets would include a box of one-half size product samples and a letter of introduction from the president asking for an opportunity to quote on their next parts order. All of the literature, letterhead and the president's business card included new graphics that were consistent with the previously developed web site. The web site url was included on each piece of literature and on the DVD. The DVD and literature were all developed in-house and the mailed to the target CEOs.

In fall of 2003, MSU IOS contacted a feature writer for FDM, a popular furniture and woodworking trade magazine. The writer visited the plant in the winter of 2004 and wrote a very positive article that was printed in the magazine's June 2004 issue. The MSU Forest Products Department (FPD) also included an article about Airline in its Furniture Highlights newsletter. Furniture Highlights is a

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publication of the MSU Institute for Furniture Manufacturing and Management and is mailed to 1800 individuals and companies engaged in furniture manufacturing. MSU IOS and FPD have written a case study about how Airline implemented lean manufacturing. The case study is currently being edited for publication in the summer of 2004.

### **Results:**

- \* Positive feedback from 25 target companies.
- \* Increased customers as a result of marketing campaign.
- \* Achieved a more competitive and profitable position.
- \* Increased recognition in furniture industry as premier supplier of wood component parts.
- \* Created opportunity for customer diversification.

### **Testimonial:**

"This project would not have been as effective in producing the results we needed without the help we received from the MSU MEP Center."

Judy Dunaway, President